

## Exhibit A

# Downtown Connection TIF District FY 2021-2022 Annual Report



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*Photographer: www.ronshippphotography.com*



**City of Dallas**

Office of Economic Development

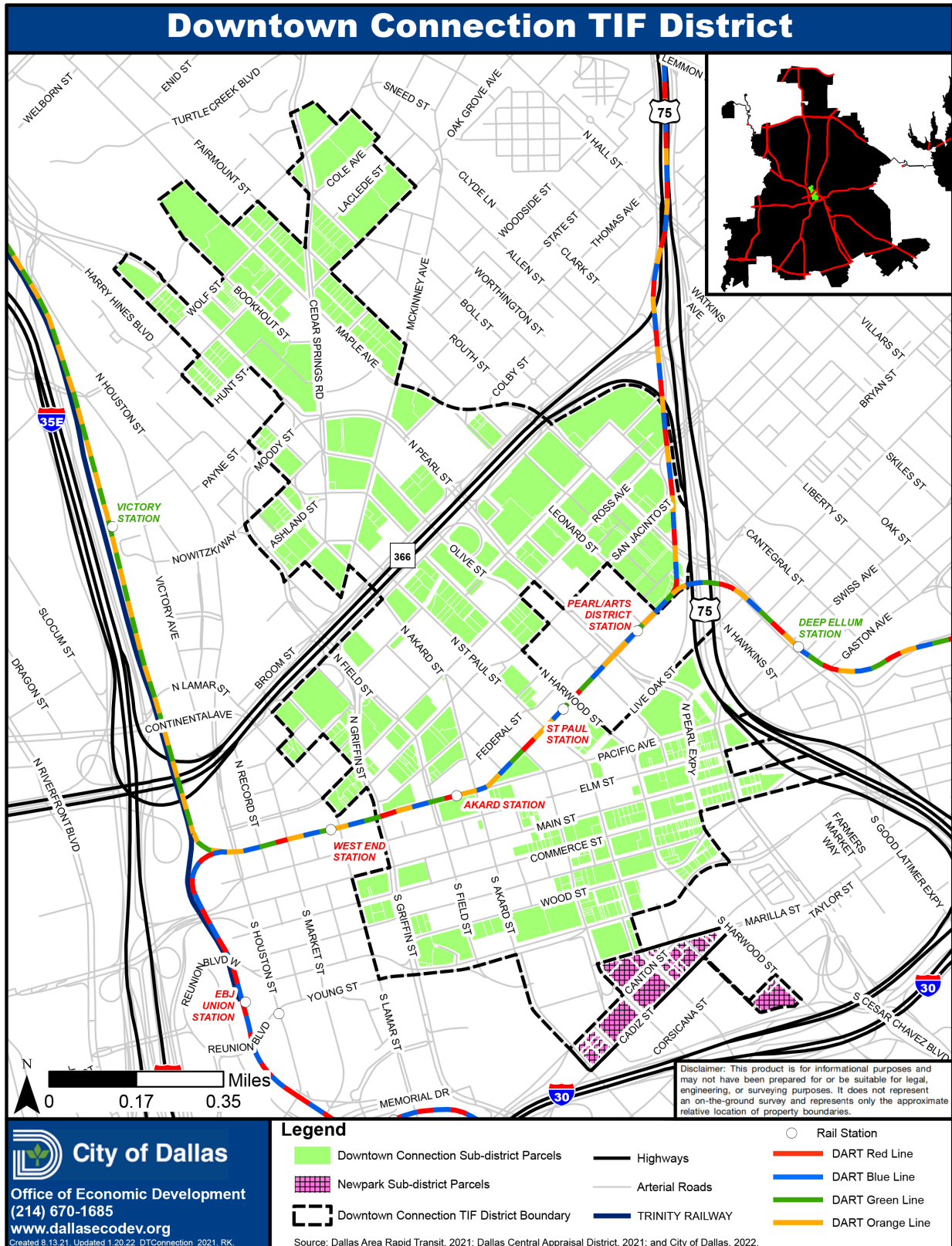
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**October 1, 2021 to September 30, 2022**

# Amended Map of Reinvestment Zone Number Eleven



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## Mission Statement

The mission of the Downtown Connection Tax Increment Financing District (“TIF District”) is to create a fund for public capital improvements in the core of Downtown essential for development of key spaces and buildings as well as to focus on catalyst projects to create a greater density and critical mass of development within the Main Street core area.

The Downtown Connection TIF District was initiated by petition, pursuant to Section 311.005 (a)(5), Texas Tax Code through the sponsorship of the Downtown Improvement District and the Uptown Improvement District. The Downtown Connection TIF District took effect on June 8, 2005, per Ordinance No. 26020, and is scheduled to terminate on December 31, 2035 (including collections of the 2035 increment in calendar year 2036 or when the budget has been collected.

## TIF District Accomplishments

To date, TIF District-supported projects have predominately included the redevelopment of existing buildings. The next phase of downtown development will be redevelopment of vacant/surface parking lots with new ground-up construction of high-density, mixed-use projects. Currently, there are approximately 77 acres of vacant/surface parking lots within the boundary of the TIF District. Of those 77 acres, over 30 acres have been announced for potential redevelopment. Facilitating high-density redevelopment on these underutilized parcels will require significant investment in public infrastructure such as roadways, water, sewer, storm drainage, sidewalks, lighting, mixed-income housing, etc.

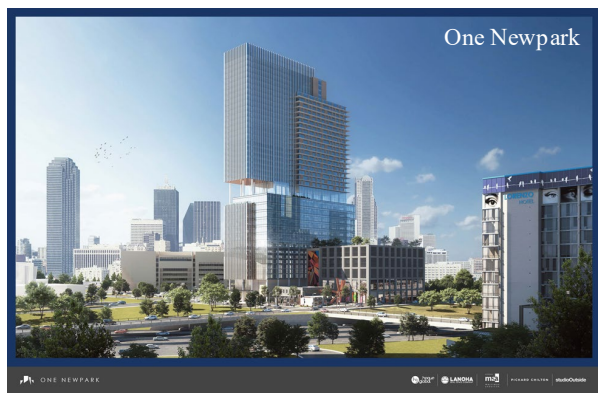
To address the TIF District’s current lack of budget capacity and provide a long-term funding mechanism to support future downtown redevelopment, City Council approved various amendments to the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan on June 22, 2022. The amendments included the following:

- A. create two sub-districts within the TIF District:
  1. Downtown Connection Sub-district (original District boundary); and
  2. Newpark Sub-district;
- B. increase the geographic area of the TIF District to add approximately 14.2 acres to create the Newpark Sub-district to facilitate anticipated redevelopment;
- C. increase the total budget of the TIF District (Downtown Connection Sub-district budget) from \$231,593,554.00 Net Present Value (NPV 2005 dollars) (approximately \$454,707,775.00 total dollars) to \$402,897,888.00 NPV (approximately \$1,059,227,817.00 total dollars, an increase of \$171,304,334.00 NPV (approximately \$604,520,042.00 total dollars);

- D. modify the Downtown Connection Sub-district budget to add a line item for a public safety building to replace Fire Station #18;
- E. establish a termination date for the Newpark Sub-district of December 31, 2052;
- F. establish the percentage of tax increment contributed by the City of Dallas during the term of the Newpark Sub-district at 90%;
- G. establish a total budget for the Newpark Sub-district of \$90,329,182.00 NPV 2022 dollars (approximately \$223,786,626.00 total dollars); and
- H. request Dallas County participation in the Newpark Sub-district at 55% for twenty years beginning in 2027.

Also, on June 22, 2022, City Council approved a development agreement with One Newpark GP, LLC for the One Newpark development project. One Newpark, a 38-floor, 1.3 million square foot mixed-use and mixed-income tower will be constructed on approximately 1.7 acres of land currently used as surface parking lots located in the Newpark Sub-district of the TIF District.

One Newpark is the first phase of the Newpark Dallas multi-phased redevelopment of approximately five acres of surface parking lots owned by Hoque Global on the southern side of the downtown central business district. At full build-out, Newpark Dallas is planned to include over one million square feet of Class A office space, 200,000 square feet of urban retail space, a few thousand residential units, and a four-star hotel. The estimated total private investment associated with full build-out of the Newpark Dallas development exceeds \$1.5 billion.



## TIF District Projects

Projects Within the TIF District Utilizing TIF District Funding <sup>1</sup>						
Project	Location	Calendar Yr Complete	Status	Units/ SF <sup>2</sup>	Approx. Value <sup>3</sup>	TIF District Investment <sup>4</sup>
Stoneleigh Hotel	2927 Maple	1 <sup>st</sup> Quarter 2008	Completed	17 additional hotel rooms	\$24,250,000	\$2,500,000
Mercantile Block	1800 & 1808 Main Street	4 <sup>th</sup> Quarter 2008	Completed	366 res. units; 33,770 sf retail	\$67,300,000	\$58,000,000
Santa Fe Lofts IV (Aloft Hotel)	1033 Young Street	4 <sup>th</sup> Quarter 2009	Completed	193 hotel rooms	\$11,500,000	\$3,734,419
Dallas Arts District Garage	2301 Ross Avenue	1 <sup>st</sup> Quarter 2010	Completed	garage renovations/ updates	\$10,502,490	\$1,078,635
Continental Building	1810 Commerce Street	1 <sup>st</sup> Quarter 2013	Completed	203 res. units; 5,871 sf retail	\$245,045,000	\$20,449,878
Lone Star Gas Lofts Phase I	300 S. St. Paul Street	1 <sup>st</sup> Quarter 2013	Completed	107 res. units	\$5,500,000	\$4,256,965
Joule Hotel Expansion	Main and Commerce Streets	4 <sup>th</sup> Quarter 2013	Completed	32 hotel rooms; 24,700 sf retail; 9,221 sf office	\$9,400,000	\$23,852,953
Lone Star Gas Lofts Phase II	301 S. Harwood Street	4 <sup>th</sup> Quarter 2014	Completed	123 res. units; 9,500 sf retail	\$11,250,000	\$15,460,149
Hall Arts Center	2323 Ross Avenue	4 <sup>th</sup> Quarter 2015	Completed	430,000 sf office; 30,000 sf retail	\$173,167,560	\$7,347,845
LTV Tower	1600 Pacific Avenue	4 <sup>th</sup> Quarter 2015	Completed	171 hotel rooms; 186 res. units	\$13,875,000	\$25,730,391
Mayflower Building	411 N. Akard Street	3 <sup>rd</sup> Quarter 2017	Completed	215 res units; 13,700 sf retail	\$35,000,000	\$10,000,000
Statler/Library	1914 & 1954 Commerce Street	1 <sup>st</sup> Quarter 2018	Completed	219 res units; 161 hotel rooms; 60,000 sf retail 88,000 sf office	\$83,500,000	\$46,500,000
Tower Petroleum Cambria Hotel	1907 Elm Street	2 <sup>nd</sup> Quarter 2018	Completed	150 hotel rooms; 6,174 sf retail	\$11,800,000	\$10,300,000
Corrigan Tower 1900 Pacific Res	1900 Pacific Avenue	1 <sup>st</sup> Quarter 2018	Completed	150 res units	\$29,310,410	\$9,700,000
1712 Commerce	1712 Commerce Street	3 <sup>rd</sup> Quarter 2019	Completed	244 hotel rooms; 16,428 sf retail	\$22,500,000	\$10,500,000
The National	1401 Elm Street	4 <sup>th</sup> Quarter 2020	Completed	324 res units; 23K sf retail; 36K sf office; 218 hotel rooms	\$190,309,120	\$50,000,000
One Newpark	Akard Street Canton Street Cadiz Street	4 <sup>th</sup> Quarter 2027	Approved	268 res units; 44,574 sf retail; 224,257 sf office; 245 hotel rooms	\$379,300,000	\$92,000,000
<b>Subtotal</b>				2,161 res. units; 1,431 hotel rooms; 268,205 sf retail; 787,186 sf office	\$1,323,509,580	\$391,411,235

Projects Within TIF District Not Utilizing TIF District Funding <sup>5</sup>						
Project	Location	Calendar Yr Complete	Status	Units/ SF	Approx. Value	Non-TIF District Incentives
Ashton	2215 Cedar Springs Road	2006	Completed	267 res. units	\$112,000,000	\$0
Trianon (Zom/Rosewood)	2820 McKinnon Street	3 <sup>rd</sup> Quarter 2006	Completed	317 res. units	\$82,362,540	\$0
Uptown Plaza Shopping I	2222 McKinney Avenue	3 <sup>rd</sup> Quarter 2006	Completed	84,000 sf retail	\$16,500,000	\$0
Hunt Consolidated	1900 Akard Street	2 <sup>nd</sup> Quarter 2007	Completed	400,000 sf office	\$74,422,550	\$6,300,000
Ritz-Carlton Hotel & Condos	2525 Pearl 2121 McKinney Avenue	2 <sup>nd</sup> Quarter 2007	Completed	71 res. units; 218 hotel rooms	\$246,336,045	\$0
Third Rail Lofts (1414 Elm portion)	1414 Elm Street	3 <sup>rd</sup> Quarter 2007	Completed	14 res. units; 3,500 sf retail	\$3,648,500	\$1,800,000

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Azure	2900 McKinnon Street	2 <sup>nd</sup> Quarter 2008	Completed	154 res. units	\$162,435,815	\$0
1900 McKinney (Hanover)	1900 McKinney Avenue	4 <sup>th</sup> Quarter 2008	Completed	230 res. units	\$92,165,000	\$0
Rosewood Court	2101 Cedar Springs Road	2 <sup>nd</sup> Quarter 2009	Completed	400,000 sf office; 12,000 sf retail	\$201,900,000	\$0
Alta Rosewood	2728 McKinnon Street	4 <sup>th</sup> Quarter 2008	Completed	375 res. units	\$113,500,000	\$0
AML/ Quadrangle	2717 Howell Street	4 <sup>th</sup> Quarter 2008	Completed	220 res. units; 14,800 sf retail	\$49,900,000	\$0
2000 McKinney	2000 McKinney Avenue	2 <sup>nd</sup> Quarter 2009	Completed	15 res. units; 445,000 sf office; 6,500 sf retail	\$202,850,000	\$0
Ritz-Carlton Residences II	2555 Pearl Street	4 <sup>th</sup> Quarter 2009	Completed	92 res. units	\$183,818,777	\$0
St. Ann's Court	2501 Harwood Street	1 <sup>st</sup> Quarter 2010	Completed	320,000 sf office	\$144,225,000	\$0
Granite/Gables	1717 McKinney Avenue; 1700 Cedar Springs	2 <sup>nd</sup> Quarter 2010	Completed	296 res. units; 382,980 sf office; 14,091 retail	\$259,200,000	\$0
CityWalk	511 N. Akard Street	4 <sup>th</sup> Quarter 2009	Completed	209 res. units	\$11,922,220	\$11,000,000
The Arts Apartment by JPI	2611 Ross Avenue	3 <sup>rd</sup> Quarter 2010	Completed	228 res. units	\$46,056,000	\$0
Museum Tower	1918 Olive Street	4 <sup>th</sup> Quarter 2012	Completed	115 res. units	\$295,342,868	\$0
Residences at Stoneleigh	2300 Wolf Street	4 <sup>th</sup> Quarter 2014	Completed	76 res. units	\$193,190,750	\$0
The Brady	2728 Cedar Springs Road	1 <sup>st</sup> Quarter 2015	Completed	299 res. units	\$108,000,000	\$0
McKinney & Olive	2021 McKinney Avenue	4 <sup>th</sup> Quarter 2015	Completed	480,000 sf office; 50,000 sf retail	\$254,325,000	\$0
Uptown Plaza II	2212 McKinney Avenue	1 <sup>st</sup> Quarter 2016	Completed	203 res. units	\$74,000,000	\$0
Forty Five Ten	1615 Main Street	4 <sup>th</sup> Quarter 2016	Completed	37,000 sf retail	\$4,004,000	\$0
Rolex Building	2651 N. Harwood Street	1 <sup>st</sup> Quarter 2017	Completed	136,857 sf office	\$24,500,000	\$0
Parkview	1920 McKinney Avenue	1 <sup>st</sup> Quarter 2017	Completed	150,000 sf office; 8,500 sf retail	\$62,750,000	\$0
Blue Ciel	3130 N. Harwood Street	3 <sup>rd</sup> Quarter 2017	Completed	158 res. units; 12,000 sf retail	\$227,497,951	\$0
500 S. Ervay	500 S. Ervay	2 <sup>nd</sup> Quarter 2018	Completed	274 hotel rooms; 238 res. units; 29,400 sf retail	\$56,333,820	\$0
Park District	2121 N. Pearl Street	2 <sup>nd</sup> Quarter 2018	Completed	228 res. units; 500,000 sf office; 20,000 sf retail	\$248,950,000	\$0
The Union	2300 N. Field Street	4 <sup>th</sup> Quarter 2018	Completed	309 res units; 417,000 sf office; 87,000 sf retail	\$205,250,000	\$0
2000 Ross Avenue	2000 Ross Avenue	4 <sup>th</sup> Quarter 2018	Completed	200 hotel rooms; 400 res units; 26,000 sf retail	\$38,357,070	\$0
Harwood No. 10	2822 N. Harwood Street	4 <sup>th</sup> Quarter 2018	Completed	220,548 sf office; 14,000 sf retail	\$102,451,500	\$0
Hall Arts Hotel	2323 Ross Avenue	4 <sup>th</sup> Quarter 2019	Completed	183 hotel rooms	\$9,247,560	\$0
Hall Arts Residences	1747 Leonard Street	2 <sup>nd</sup> Quarter 2020	Completed	48 res. units	\$163,950,000	\$0
East Quarter Mixed Use Building	315 S. Cedar Chavez Blvd	2 <sup>nd</sup> Quarter 2021	Completed	336 res. units; 180,000 sf office; 25,000 sf retail	\$71,135,440	\$0
J.W. Marriott Hotel	Ross Avenue & Harwood Street	1 <sup>st</sup> Quarter 2023	Under Construction	283 hotel rooms	\$90,000,000	\$0
The Residence at Harwood	Jackson Street & S. Harwood Street	4 <sup>th</sup> Quarter 2024	Under Construction	250 res units	\$100,000,000	\$0
The Modera St. Paul	St. Paul Street & Young Street	4 <sup>th</sup> Quarter 2024	Under Construction	333 res units	\$70,000,000	\$0
Dallas Gateway	Ross Avenue & Routh Street	TBD	Announced	900 res units 400,000 sf office 50,000 sf retail	TBD	\$0

	6,381 res. units;		
<b>Subtotal</b>	1,158 hotel rooms;	\$4,232,528,406	\$19,100,000
	493,791 sf retail;		
	5,915,528 sf office		
<b>Projects Utilizing and Not Utilizing TIF District Funding</b>			
	8,542 res. units;		
<b>Total</b>	2,589 hotel rooms;	\$5,556,037,986	\$410,511,235
	761,996 sf retail;		
	6,702,714 sf office		

<sup>1</sup>All information updated as of September 30, 2022.

<sup>2</sup>Based upon either incentive application or required minimums stated in development agreement. Updated for completed projects based on actual unit mix and square footage.

<sup>3</sup>Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed).

<sup>4</sup>Principal amounts not to be exceeded per the development agreement.

<sup>5</sup>Selected significant projects included.

<sup>6</sup>Tax-exempt properties

<sup>7</sup>Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information.

## Mixed-Income Housing Summary

Successful development efforts support a variety of housing options. Accordingly, (1) ten percent (10%) of all housing units constructed as part of redevelopment of an existing building; (2) twenty percent (20%) of all housing units constructed as part of a new ground-up development; and (3) 30% of residential units constructed on City owned land purchased by a private developer for residential development using direct, site-specific funding assistance from the TIF District are subject to the City's and County's established criteria for mixed-income housing.

In this TIF District, a total of 1,893 units have been built to date with TIF District funding, and 342 (18%) have been set-aside as affordable.

## Value and Increment Revenue Summary

The base value of the TIF District is the total appraised value of all taxable real property in the TIF District, as determined by the Dallas Central Appraisal District's certified property tax roll for the base year. The base value is established the year a property is placed within TIF District boundaries.

The 2022 amendment of the TIF District's Project Plan and Reinvestment Zone Financing Plan created two sub-districts: Downtown Connection Sub-district and Newpark Sub-district. As a result, each sub-district has its own base year value.

**Downtown Connection Sub-district** – The 2005 adjusted base year value of the Downtown Connection Sub-district was \$564,917,317. The Downtown Connection Sub-district's 2022 certified assessed tax value was \$6,550,354,904. This represents an increase of \$5,302,546,963 (1060%) over the adjusted base year value.

The sub-district's value increased by \$682,890,624 (11.6%) from the 2021 final value (\$5,867,464,280). This increase will result in an estimated collection of approximately



\$40,175,454 (City \$40,175,454; County \$0) in incremental revenue for the Downtown Connection Sub-district. Dallas County's participation in this Sub-district ended with the collection of tax year 2019 increment.

**Newpark Sub-district** – The 2022 base year value of the Newpark Sub-district was \$21,609,71. Increment collection for this Sub-district will begin in 2024.

## Development Goals and Objectives

The Downtown Connection Project Plan and Reinvestment Zone Financing Plan was adopted in late 2005, as amended. The following objectives and action items set the framework for the planned improvements within the Downtown Connection TIF District:

- Improve access between and within the Uptown and Downtown areas

*Construction of Klyde Warren Park, a deck park spanning Woodall Rodgers Freeway, connecting Downtown to Uptown, celebrated its grand opening October 2012.*

*In July of 2010, the McKinney Avenue Transit Authority received a \$4.9 million grant from the Federal Transit Administration and matching grant of \$5 million from the North Central Texas Council of Government to complete the M-Line loop that branches off McKinney Avenue at Olive Street. Construction of the Olive/St. Paul Street Loop began in 2012, with completion in 2015. The line improves connectivity between Uptown, Downtown, Klyde Warren Park, the Arts District and DART downtown transit mall.*

*In 2009, the North Central Texas Council of Governments (NCTCOG) Regional Transportation Council (RTC) issued its third Sustainable Development Program call for projects. The Sustainable Development Program provides funding of infrastructure improvements associated with development projects that reduce the overall demand for transportation infrastructure and improve air quality. Two Downtown Connection TIF District projects were awarded funds under this program to enhance pedestrian and transportation linkages, access and safety to nearby bus/rail transit and City of Dallas public investments. City Council approved agreements between the City, NCTCOG, State of Texas and the project's developer for each project. Lone Star Gas Lofts completed construction of the project in summer 2013, while construction of the Continental project completed in 2014.*

- *Continental Building Project – \$607,739*
- *Lone Star Gas Lofts Project – \$462,686*

The creation of a circulator system for the downtown area was recommended by the Downtown Dallas 360 Area Plan. In September 2013, City Council approved funding to participate in a two-year pilot program D-Link, a special service from DART that provides residents, workers and visitors a way to get to some of the city's most popular arts, dining and historic destinations. The free bus route included destinations such as American Airlines Center, Klyde Warren Park, the Perot Museum of Nature and Science, The Sixth Floor Museum, Dallas Arts District and many other cultural, arts and entertainment-related stops.



The annual cost of the service was approximately \$1.1 million. DART, Downtown Dallas Inc. and the City of Dallas shared the costs of the program annually. The service was discontinued during the 2019 fiscal year.

- Improve the image of the Downtown Connection Area

With the installation of numerous high-tech digital (video) sign boards within the Main Street core, continued redevelopment of vacant buildings, and completion and programming of the various downtown parks, activity downtown has increased dramatically.

Major corporate relocations to the downtown connection area over the years have included Moneygram International, AT&T and Comerica Bank. In 2014, three corporations relocated to buildings in the downtown core (Santander Consumer USA, Inc., Active Network, LLC and Omnitrac, LLC), adding over 2,000 people to downtown's daytime population.

In 2017, AT&T committed to investing in their global headquarters in downtown Dallas. The AT&T Discovery District project included private investment of approximately \$30 million in street and plaza improvements surrounding its complex of buildings and the addition of 65,000 square feet of retail and restaurant space. Total private investment is estimated to be \$100 million. The Discovery District opened during fiscal year 2020-2021.



The increased downtown daytime population, residency and activities for residents and visitors have added to the evolving image of the area.

- Support redevelopment of the existing building supply and surface parking lots located within the area

*There was one development project (One Newpark) approved during the fiscal year within the Newpark Sub-district of the TIF District.*

- Develop a more diverse mixture of land uses within the Downtown Connection Area

*Projects announced, completed and/or underway within the TIF District will contribute approximately 8,542 residential units; 2,589 hotel rooms; 761,996 square feet of retail; and 6,702,714 square feet of new office space.*

- Increase open space and recreational opportunities in the Downtown Connection Area

*Browder Street Plaza Improvements - March 2012, the Office of Economic Development, in conjunction with Downtown Dallas, Inc., and the City Design Studio, issued a Request for Proposals for Browder Street Plaza retail development and leasing/management opportunities. The retail component of Browder Street Plaza, between Commerce Street and Jackson Street, was intended to add activity along this pedestrian thoroughfare and complement the public improvements constructed on the site. The City of Dallas invested \$500,000 in public space improvements to install landscaping, shade, street furniture, paving, and other pedestrian and plaza improvements. Hamilton DPL Development Inc. and Hamilton DPL, LP won the solicitation with its proposed retail activation plan which focused on retail kiosks and food trucks within Browder Street Plaza.*



*The original Downtown Parks Master Plan called for the creation of four parks downtown. The first park, Main Street Garden Park, opened in 2009. Belo Garden opened May 2012. The third park, Klyde Warren Park opened in October of 2012. Land for the fourth park, Pacific Garden Plaza/Park was acquired using 2006 Bond funds, but construction of the park was unfunded at that time.*

*The City of Dallas has contracted with Downtown Dallas Inc. to provide operations and programming of three of the four downtown parks (excludes Klyde Warren Park), as well as Pegasus Plaza. Main Street Garden Park hosts many events annually including Moonlight Movie Series showing free outdoor movies on Saturdays in the park and YMCA outdoor sporting leagues. Pegasus Plaza held the Taste of the Fair, where foods from the annual State Fair of Texas could be sampled during the fiscal year.*

*In March 2013, City Council endorsed an update of the Downtown Parks Master Plan that proposed construction of the Pacific Plaza Park and three new downtown parks: West End Plaza, Carpenter Park near Deep Ellum and Harwood Park next to the Farmers Market.*

*At the beginning of the 2016 fiscal year, the Belo Foundation (now called Parks for Downtown Dallas) pledged \$30 million to complete implementation of the updated Downtown Dallas Parks Master Plan. The updated master plan called for \$70 million in private and public funding to build four additional parks in downtown Dallas (Harwood Park, Carpenter Park, Pacific Plaza and West End Plaza). Two of the four parks are within the boundaries of the Downtown Connection TIF District – Harwood Park and Pacific Plaza. Parks for Downtown Dallas raised an additional \$5 million, for a total pledge of \$35 million. The \$35 million committed by Parks for Downtown Dallas was offered to the City through a dollar-for-dollar matching grant, and the City was responsible for contributing matching capital.*

*On November 7, 2017, City of Dallas voters approved a General Obligation Bond Program totaling \$1.050 billion. The program allocated \$35 million to re-develop/develop three downtown parks: Carpenter Park, Harwood Park and the West End Plaza as a match for the Parks for Downtown Dallas grant. Additionally, \$10 million was allocated as matching funds for the future expansion of Klyde Warren Park.*

*On April 17, 2018, a groundbreaking was held for Pacific Plaza Park. The 3.7 acre park cost approximately \$15 million and opened to the public in October 2019. Construction of the 3.8-acre Harwood Park began October 1, 2021. Harwood Park is expected to be delivered in 2023.*

- Incentivize catalyst project(s) to accelerate reaching a critical mass of residential units, retail establishments, and public amenities for a vibrant downtown

*The TIF District's catalyst project included the Mercantile Block, Lone Star Gas Lofts Complex and Continental building. In 2008, the Mercantile Block completed redevelopment. Phase I of the Lone Star Gas Lofts Complex and Continental Building projects were completed in 2013. Phase II of the Lone Star Gas Lofts Complex project completed construction in July of 2014. These projects have added 799 residential units (inclusive of 211 affordable units) and 50,000 square feet of retail.*

## Year-End Summary of Meetings

The Downtown Connection TIF District Board of Directors met once during FY 2021-2022 on April 29, 2022.

The Downtown Connection TIF District Board of Directors consists of nine (9) members including six (6) City of Dallas appointees, one (1) State Senator's office appointee, one (1) Dallas County appointee and one (1) State Representative's office appointee.

During FY 2021-2022, the Downtown Connection TIF Board consisted of the following members:

### Board Member List

Andre Harris – City Appointee (Attended 1 of 1 meeting)

Joseph Pitchford – City Appointee (Attended 1 of 1 meeting)

Billy Prewitt – City Appointee (Attended 1 of 1 meeting)

Vacant – City Appointee

Vacant – City Appointee

Vacant – City Appointee

Luis Tamayo – Dallas County Appointee (Attended 1 of 1 meeting)

Vacant – State Senator's Office Appointee

Steve Bancroft – State Representative's Appointee (Attended 0 of 1 meeting)

During FY 2021-2022, City Council approved seventeen (17) items directly or indirectly associated with the Downtown Connection TIF District. The City Council actions are listed below.

- On October 13, 2021, City Council approved Resolution No. 21-1688 authorizing execution of a revised Advanced Funding Agreement (AFA) with the Texas Department of Transportation (TxDOT) (TxDOT Agreement No. CSJ 0196-07-034), for the Woodall Rodgers Park Deck Plaza Extension Structure on-system from west of Akard Street to St. Paul Street to provide for a \$1,700,000.00 increase in the City's previously authorized construction costs allocation (Resolution No. 21-1134) from \$7,900,000 to \$9,600,000 from Park and Recreation Facilities (B) Fund- Total amount of \$1,700,000.00 - Financing: Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Fund).
- On October 13, 2021, City Council conducted a public hearing and approved Resolution No. 21-1711 denying authorization of an amendment of the City of Dallas Central Business District Streets and Vehicular Circulation Plan to change the right-of-way and pavement width on Park Avenue between Young Street and Marilla Street from 50 feet of right-of-way and 25 feet of pavement to 48 feet of right-of-way and 26 feet of pavement; and, at the close of the public hearing, authorize an ordinance implementing the change - Financing: No cost consideration to the City.

- On February 9, 2022, City Council approved Resolution No. 22-0317 authorizing (1) support for the revised Dallas Area Rapid Transit (DART) addition for a second light rail alignment through Downtown Dallas (D2); (2) ongoing coordination with DART in the development of the thirty percent design, environmental assessment of the revised alignment, and public outreach and analyses related to Environmental Justice and changes to the light rail operating plan; (3) ongoing collaboration with DART to address City of Dallas (City) equity expectations in conjunction with the design development and future entrance into the Federal Transit Authority process for grant applications; and (4) an Interlocal Contract between the City, DART, the North Central Texas Council of Government, and the Texas Department of Transportation for the revised D2 alignment that resulted from the project refinements, enhancements, and/or modifications, approved as to form by the City Attorney - Financing: No cost consideration to the City.
- On February 9, 2022, City Council approved Resolution No. 22-0334 (1) adopting the 3C, located west of Lamar Street, as the preferred alternative to implement the Kay Bailey Hutchison Convention Center Dallas Master Plan - Phase 1; and (2) authorizing the city manager to take the necessary steps to implement the 3C alternative, located west of Lamar Street - Financing: No cost consideration to the City.
- On February 23, 2022, City Council approved Ordinance No. 32145 and Resolution No. 22-0359 amending Chapter 48B, "Vacant Buildings," of the Dallas City Code, by amending Sections 48B-1, 48B-2, 48B-6, 48B-7, 48B-8, 48B-9, 48B-10, 48B-12, 48B-13, 48B-15, 48B-17; (1) adding Article IV; (2) renaming the chapter to include vacant lots located outside the central business district; (3) adding definitions; (4) providing that Article II and Article III apply to only vacant buildings located in the central business district; (5) providing requirements, procedures, and fees for the registration and inspection of vacant buildings and vacant lots located outside the central business district of the city; (6) providing defenses; (7) providing an appeal process for the denial or revocation of a certificate of registration; (8) providing signage requirements for problem properties; (9) providing a penalty not to exceed \$2,000; (10) providing a saving clause; (11) providing a severability clause; and (12) providing an effective date - Financing: No cost consideration to the City.
- On February 23, 2022, City Council approved Resolution No. 22-0386 accepting the FY 2020-2021 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eleven (Downtown Connection TIF District or District) and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.
- On April 27, 2022, City Council approved Resolution No. 22-0660 (1) designating the following as venue projects: an expansion of the Kay Bailey Hutchison

Convention Center Dallas, a convention center facility, and related infrastructure (collectively, the "Convention Center Expansion Venue Project"); and the acquisition, construction, and improvement of certain Fair Park Facilities and related infrastructure (collectively, the "Fair Park Facilities Venue Project," and, together with the Convention Center Expansion Venue Project, the "Venue Projects"); (2) designating the imposition of a new hotel occupancy tax increase at the rate of two percent as a method of financing the Venue Projects; (3) directing the City Manager to send the resolution to the Comptroller for a determination on whether the implementation of the resolution will have a significant negative fiscal impact on state revenue; (4) directing the City Manager to place an ordinance on the City Council's agenda calling an election on the question of approving and implementing the resolution upon the first of the following to occur: (a) receiving notice from the Comptroller that implementation of this resolution will not have a significant negative fiscal impact on state revenue; or (b) the expiration of 30 days from the date the Comptroller receives a copy of the resolution if the notice is not provided; and (5) authorizing the City Council, if the method of financing is approved at the election, to establish the Convention Center Expansion and Fair Park Facilities Venue Projects Funds - Estimated Revenue: Convention and Event Services Fund \$1,500,000,000.00 over 30 years.

- On June 8, 2022, City Council approved Resolution No. 22-0869 authorizing a public hearing to be held on June 22, 2022 to receive comments on proposed amendments to the Project Plan and Reinvestment Zone Financing Plan ("Plan") for Tax Increment Reinvestment Zone Number Eleven, the Downtown Connection Tax Increment Financing ("TIF") District ("Zone") to: (1) create two sub-districts within the Zone: (a) Downtown Connection Sub-district (original Zone boundary) and (b) Newpark Sub-district; (2) increase the geographic area of the Zone to add approximately 14.2 acres to create the Newpark Sub-district to facilitate anticipated redevelopment; (3) increase the total budget of the Zone (Downtown Connection Sub-district budget) from \$231,593,554.00 Net Present Value (NPV 2005 dollars) (approximately \$454,707,775.00 total dollars) to \$402,897,888.00 NPV (approximately \$1,059,227,817.00 total dollars, an increase of \$171,304,334.00 NPV (approximately \$604,520,042.00 total dollars); (4) modify the Downtown Connection Sub-district budget to add a line item for a public safety building to replace Fire Station #18; (5) establish a termination date for the Newpark Sub-district of December 31, 2052; (6) establish the percentage of tax increment contributed by the City of Dallas during the term of the Newpark Sub-district at 90%; (7) establish a total budget for the Newpark Sub-district of \$90,329,182.00 NPV 2022 dollars (approximately \$223,786,626.00 total dollars); (8) request Dallas County participation in the Newpark Sub-district at 55% for twenty years beginning in 2027; and (9) make corresponding modifications to the Zone boundary, budget, Plan, and participation agreement with Dallas County; and at the close of the hearing, consider an ordinance amending Ordinance No. 26020, as amended, previously approved on June 8, 2005, and Ordinance No.

26096, as amended, previously approved on August 29, 2005, to reflect these amendments - Financing: No cost consideration to the City.

- On June 22, 2022, City Council conducted a public hearing and approved Ordinance No. 32249 and Resolution No. 22-1025 to: (1) create two sub-districts within the Zone District: (a) Downtown Connection Sub-district (original District boundary) and (b) Newpark Sub-district; (2) increase the geographic area of the District to add approximately 14.2 acres to create the Newpark Sub-district to facilitate anticipated redevelopment; (3) increase the total budget of the District (Downtown Connection Sub-district budget) from \$231,593,554.00 Net Present Value (NPV 2005 dollars) (approximately \$454,707,775.00 total dollars) to \$402,897,888.00 NPV (approximately \$1,059,227,817.00 total dollars, an increase of \$171,304,334.00 NPV (approximately \$604,520,042.00 total dollars); (4) modify the Downtown Connection Sub-district budget to add a line item for a public safety building to replace Fire Station #18; (5) establish a termination date for the Newpark Sub-district of December 31, 2052; (6) establish the percentage of tax increment contributed by the City of Dallas during the term of the Newpark Sub-district at 90%; (7) establish a total budget for the Newpark Sub-district of \$90,329,182.00 NPV 2022 dollars (approximately \$223,786,626.00 total dollars); (8) request Dallas County participation in the Newpark Sub-district at 55% for twenty years beginning in 2027; and (9) make corresponding modifications to the District boundary, budget, Plan, and participation agreement with Dallas County; and at the close of the hearing, consider an ordinance amending Ordinance No. 26020, as amended, previously approved on June 8, 2005, and Ordinance No. 26096, as amended, previously approved on August 29, 2005, to reflect these amendments - Financing: No cost consideration to the City.
- On June 22, 2022, City Council approved Resolution No. 22-0974 authorizing a development agreement and all other necessary documents with One Newpark GP, LLC and/or its affiliates for a City Subsidy in an amount not to exceed \$96,100,000.00 comprised of (1) an amount not to exceed \$4,100,000.00 in the form of an economic development grant payable from the City's Public/Private Partnership Fund ("PPP Grant") and (2) an amount not to exceed \$92,000,000.00 payable from future Downtown Connection TIF District funds ("TIF Subsidy") in consideration of the One Newpark Project, a 38-floor, 1,345,845 square foot mixed-use, mixed-income development to be constructed on 1.7 acres at the southeast corner of S. Akard Street and Canton Street in Tax Increment Financing Reinvestment Zone Number Eleven (Downtown Connection TIF District) - Financing: Public/Private Partnership Fund (\$4,100,000.00) and Downtown Connection TIF District Fund (\$92,000,000.00) (subject to annual appropriations from tax increments).
- On August 10, 2022, City Council approved Resolution No. 22-1094 authorizing a public hearing to be held on August 24, 2022, to receive comments concerning: (1) the proposed levy of assessment for the Dallas Downtown Improvement District (the "District") in accordance with Chapter 372, Texas Local Government



Code, for the purpose of providing supplemental public services to be funded by special assessments on property in the District; and, at the close of the public hearing (2) consider approval of an ordinance (a) levying a special assessment on property in the District for services and improvements to be provided during 2023; (b) fixing charges and liens against the property in the District and against the property owners thereof; (c) providing for the collection of the 2022 assessment; (d) requiring City staff to, not later than seven days after City Council's approval of the ordinance and service plan, file a copy of the approved service plan with the Dallas county clerk; and (e) providing an effective date - Financing: This action has no cost consideration to the City.

- On August 10, 2022, City Council approved Resolution No. 22-1097 authorizing public hearing to be held on August 24, 2022, to receive comments concerning: (1) the proposed levy of assessment for the Klyde Warren Park/Dallas Arts District Public Improvement District (the "District") in accordance with Chapter 372, Texas Local Government Code, for the purpose of providing supplemental public services to be funded by special assessments on property in the District; and, at the close of the public hearing (2) consider approval of an ordinance (a) levying a special assessment on property in the District for services and improvements to be provided during 2023; (b) fixing charges and liens against the property in the District and against the property owners thereof; (c) providing for the collection of the 2022 assessment; (d) requiring City staff to, not later than seven days after City Council 's approval of the ordinance and service plan, file a copy of the approved service plan with the Dallas county clerk; and (e) providing an effective date - Financing: This action has no cost consideration to the City.
- On August 10, 2022 City Council approved Resolution No. 22-1107 authorizing a public hearing to be held on August 24, 2022, to receive comments concerning: (1) the proposed levy of assessment for the Uptown Public Improvement District (the "District") in accordance with Chapter 372, Texas Local Government Code for the purpose of providing supplemental public services to be funded by special assessments on property in the District; and, at the close of the public hearing (2) consider approval of an ordinance (a) levying a special assessment on property in the District for services and improvements to be provided during 2023; (b) fixing charges and liens against the property in the District and against the property owners thereof; (c) providing for the collection of the 2022 assessment; (d) requiring City staff to, not later than seven days after City Council's approval of the ordinance and service plan, file a copy of the approved service plan with the Dallas county clerk; and (e) providing an effective date - Financing: This action has no cost consideration to the City.
- August 24, 2022, City Council conducted a public hearing and approved Ordinance No. 32277 and Resolution No. 22-1256 (1) authorizing the proposed levy of assessment for the Dallas Downtown Improvement District (the "District"), in accordance with Chapter 372, Texas Local Government Code, for the purpose of providing supplemental public services to be funded by special assessments

on property in the District; and, at the close of the public hearing: (2) authorizing an ordinance approving and adopting the final 2023 Service Plan, the final 2022 Assessment Plan, the 2022 Assessment Roll (to be kept on file with the City Secretary) and 2023 Notice of Obligation to Pay Improvement District Assessment (to be filed with Dallas County); (3) establishing classifications for the apportionment of costs and the methods of assessing special assessments for the services and improvements to property in the District; (4) closing the public hearing and levying a special assessment on property in the District for services and improvements to be provided in the District during 2023; (5) providing for reimbursement of city administrative costs for operational oversight of the District; (6) fixing charges and liens against the property in the District and against the owners thereof; (7) providing for the collection of the 2022 assessment; (8) authorizing the receipt and deposit of assessments from Dallas County; (9) authorizing the disbursement of assessments and interest to Downtown Dallas, Inc.; and (10) providing for an effective date - Not to exceed actual collections estimated at \$10,245,933.70 - Financing: Dallas Downtown Improvement District Fund (\$9,308,823.86), General Fund (\$630,353.15), and Convention and Event Services Enterprise Fund (\$306,756.69) (subject to appropriations).

- August 24, 2022, City Council conducted a public hearing and approved Ordinance No. 32280 and Resolution No. 22-1259 (1) authorizing the proposed levy of assessment for the Klyde Warren Park/Dallas Arts District Public Improvement District (the "District"), in accordance with Chapter 372, Texas Local Government Code, for the purpose of providing supplemental public services to be funded by special assessments on property in the District; and, at the close of the public hearing: (2) authorizing an ordinance approving and adopting the final 2023 Service Plan, the final 2022 Assessment Plan, the 2022 Assessment Roll (to be kept on file with the City Secretary), 2023 Notice of Obligation to Pay Improvement District Assessment (to be filed with Dallas County); (3) establishing classifications for the apportionment of costs and the methods of assessing special assessments for the services and improvements to property in the District; (4) closing the public hearing and levying a special assessment on property in the District for services and improvements to be provided in the District during 2023; (5) providing for reimbursement of city administrative costs for operational oversight of the District; (6) fixing charges and liens against the property in the District and against the owners thereof; (7) providing for the collection of the 2022 assessment; (8) authorizing the receipt and deposit of assessments from Dallas County; (9) authorizing the disbursement of assessments and interest to Woodall Rodgers Park Foundation; and (10) providing for an effective date - Not to exceed actual collections estimated at \$1,761,972.00 - Financing: Klyde Warren Park/Dallas Arts District Public Improvement District Fund (subject to appropriations).
- August 24, 2022, City Council conducted a public hearing and approved Ordinance No. 32289 and Resolution No. 22-1269 (1) authorizing the proposed

levy of assessment for the Uptown Public Improvement District (the “District”), in accordance with Chapter 372, Texas Local Government Code,, for the purpose of providing supplemental public services to be funded by special assessments on property in the District; and, at the close of the public hearing: (2) authorizing an ordinance approving and adopting the final 2023 Service Plan, the final 2022 Assessment Plan, the 2022 Assessment Roll (to be kept on file with the City Secretary), 2023 Notice of Obligation to Pay Improvement District Assessment (to be filed with Dallas County); (3) establishing classifications for the apportionment of costs and the methods of assessing special assessments for the services and improvements to property in the District; (4) closing the public hearing and levying a special assessment on property in the District for services and improvements to be provided in the District during 2023; (5) providing for reimbursement of city administrative costs for operational oversight of the District; (6) fixing charges and liens against the property in the District and against the owners thereof; (7) providing for the collection of the 2022 assessment; (8) authorizing the receipt and deposit of assessments from Dallas County; (9) authorizing the disbursement of assessments and interest to Uptown Inc.; (10) authorizing amendments to the District’s adopted 2022 Service Plan in accordance with the Act; (11) requiring City staff to file a copy of the amended service plan and notice with the Dallas county clerk; and (12) providing for an effective date - Not to exceed actual collections estimated at \$3,257,279.00 - Financing: Uptown Public Improvement District Fund (subject to appropriations).

- On September 14, 2022, City Council approved Resolution No. 22-1349 authorizing Supplemental Agreement No. 1 to the professional services contract with WSP USA, Inc. to provide advance planning, historical documentation, public involvement, non-engineering planning schematics, and railroad coordination as part of the Kay Bailey Hutchison Convention Center Dallas Master Plan - Not to exceed \$1,320,299.00, from \$14,924,394.00 to \$16,244,693.00 - Financing: Convention Center Construction Fund.

## **Budget and Spending Status**

The Downtown Connection TIF District established a budget for eligible expenditures necessary to support private investment in the District. The amended Project Plan and Reinvestment Zone Financing Plan estimates TIF expenditures totaling approximately \$402.9 million (in 2006 dollars) for the Downtown Connection Sub-district and approximately \$90.3 million (in 2022 dollars) for the Newpark Sub-district. The budget for each Sub-district is below.

<b>Downtown Connection Sub-district  Current Projected Increment Revenues to Retire TIF Fund Obligations</b>			
<b>Category</b>	<b>Estimated  Total Dollars  Budget<sup>1</sup></b>	<b>Allocated<sup>2</sup></b>	<b>Estimated  Total Dollar  Balance</b>
<b>Catalyst Projects:</b> - <i>Environmental remediation, demolition, historic façade, restoration, street/utility improvements &amp; streetscape improvements, land acquisition, and non-project costs, including, but not limited to machinery, equipment, materials and supplies</i>	\$68,000,000	\$68,000,000	\$0
<b>Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots</b> - <i>Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, TIF grants, affordable housing</i>	\$742,944,708	\$241,411,191	\$501,533,517
<b>Uptown/Downtown connection improvements<sup>3</sup></b>	\$0	\$0	\$0
<b>Park and plaza design and acquisition</b>	\$3,913,426	\$0	\$3,913,426
<b>Affordable Housing<sup>4</sup></b>	\$3,000,000	\$3,000,000	\$0
<b>Ground Floor Activation/Streetscape Improvements</b>	\$1,985,000	\$459,845	\$1,525,155
<b>Downtown Area Plan</b>	\$515,000	\$512,464	\$2,536
<b>Public Safety Building</b> ( <i>replace Fire Station #18</i> )	\$13,530,000	\$0	\$13,530,000
<b>Administration and Implementation<sup>5</sup></b>	\$10,280,272	\$2,069,268	\$8,211,004
<b>Debt Service</b> ( <i>Principal and Interest</i> )	\$206,972,265	\$206,972,265	\$0
<b>Total Project Costs</b>	<b>\$1,051,140,671</b>	<b>\$522,425,033</b>	<b>\$528,715,638</b>
<sup>1</sup> Budget shown above in total dollars. Project Plan shows the budget in 2005 net present value. Total Dollars Budget values are estimated based on annual TIF District value, project costs, tax rates, increment collections and Debt Service schedules. These values will fluctuate annually. <sup>2</sup> The Allocated total shown for the Redevelopment of Vacant/Underutilized Downtown Building line item reflects the total TIF District's commitment to projects currently in the TIF District's Reimbursement Queue. <sup>3</sup> Funds allocated to this line item have been reprogrammed to the Redevelopment line item. <sup>4</sup> The Affordable Housing line item has been reduced by the amount of TIF District funds allocated to the Continental and Mayflower Building projects. <sup>5</sup> Administration and Implementation expenses shown are expended or committed through FY 2022			

<b>Newpark Sub-district Current Projected Increment Revenues to Retire TIF Fund Obligations</b>			
<b>Category</b>	<b>Estimated Total Dollar Budget<sup>1</sup></b>	<b>Allocated</b>	<b>Estimated Total Dollar Balance</b>
<b>Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots</b> - <i>Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, streetscape</i>	\$49,000,000	\$6,304,931	\$42,695,069
<b>Public Safety Building</b> <i>(replace Fire Station #4)</i>	\$13,530,000	\$0	\$13,530,000
<b>Economic Development TIF Grant</b> - <i>High density mixed-use development projects, mixed-income housing</i>	\$156,756,626	\$85,695,069	\$71,061,557
<b>Administration and Implementation</b>	\$4,500,000	\$0	\$4,500,000
<b>Total Project Costs</b>	<b>\$223,786,626</b>	<b>\$92,000,000</b>	<b>\$131,786,626</b>
<sup>1</sup> <i>Budget shown above in total dollars. Project Plan shows the budget in 2022 net present value. Total Dollars Budget Values are estimated based on annual Sub-district value, project costs, tax rates and increment collections. These values will fluctuate annually.</i>			

<b>Downtown Connection Sub-District Amended Plan Budget</b>	
<b>Category</b>	<b>Budget in 2005 Dollars</b>
<b>Catalyst Projects:</b> - <i>Environmental remediation, demolition, historic façade, restoration, street/utility improvements &amp; streetscape improvements, land acquisition, and non-project costs, including, but not limited to machinery, equipment, materials and supplies</i>	\$68,000,000
<b>Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots</b> - <i>Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, TIF grants, affordable housing</i>	\$239,255,247
<b>Uptown/Downtown Connection Improvements</b>	\$0
<b>Park and Plaza Design and Acquisition</b>	\$1,500,000
<b>Affordable Housing</b>	\$3,000,000
<b>Ground Floor Activation/Streetscape Improvements</b>	\$1,985,000
<b>Downtown Area Plan</b>	\$515,000
<b>Public Safety Building</b> <i>(replace Fire Station #18)</i>	\$5,146,398
<b>Administration and Implementation</b>	\$3,940,386
<b>Debt Service</b> <i>(Principal and Interest)</i>	\$79,555,857
<b>Total Project Costs</b>	<b>\$402,897,888</b>
<i>*Budget shown above in 2005 dollars; TIF Project Plan shows the budget in net present value.</i>	

<b>Downtown Dallas Development Authority Status of DDDA Bond Sales and Repayment</b>				
<b>Project</b>	<b>Bond Sales</b>	<b>Principal + Interest</b>	<b>Total Paid</b>	<b>Balance Due</b>
Mercantile	Series 2006 \$50,605,343	\$139,671,210	\$38,188,793	\$101,482,417
Mercantile	Series 2007 \$28,950,514	\$67,301,055	\$32,010,516	\$35,290,539
<b>Totals</b>		<b>\$206,972,265</b>	<b>\$70,199,309</b>	<b>\$136,772,956</b>

### M/WBE Participation

Public bidding is not required for TIF District-funded projects. All TIF District-funded projects must follow the City's adopted Business Inclusion and Development Plan and make a good faith effort to include certified Minority and Women-Owned Business (M/WBE) participation in TIF District-supported projects. The BID Plan goal for the projects listed below was 25 percent (25%) M/WBE participation in construction costs. During fiscal year 2020-2021, City Council increased the BID Plan goal for construction costs to 32 percent (32%).

<b>Downtown Connection TIF District Project M/WBE Participation</b> <small>(completed projects only)</small>					
<b>Project</b>	<b>Total Construction Contract Amount</b>	<b>Local MWBE Amount</b>	<b>Non-Local MWBE Amount</b>	<b>Total MWBE Participation</b>	<b>Total MWBE Participation Percentage</b>
Continental Building	\$30,796,191	\$9,985,348	\$1,063,266	\$11,048,614	36%
Dallas Arts District Garage	\$852,764			\$439,839	52%
Hall Arts Center <sup>1</sup>	\$67,967,863	\$12,759,544	\$164,950	\$12,924,494	19%
Joule Hotel Expansion	\$70,464,515	\$12,054,208	\$9,668,098	\$21,722,305	31%
Lone Star Gas Lofts Complex Phase I	\$6,887,607	\$853,912	\$1,020,662	\$1,874,574	27%
Lone Star Gas Lofts Complex Phase II**	\$13,466,814	\$298,444	\$1,851,343	\$2,149,787	16%
Mayflower Building (411 N. Akard St.)	\$30,315,839	\$3,458,851	\$4,141,919	\$7,600,770	25%
Mercantile Complex	\$107,012,554			\$26,707,787	25%
Sante Fe IV (Aloft Hotel)	\$20,937,338			\$5,811,923	28%
Statler Hotel & Residences/Old Library Bldg	\$128,327,195	\$19,967,510	\$12,327,745	\$32,295,255	25%
Stoneleigh Hotel	\$25,106,706			\$4,998,000	20%
The National (1401 Elm)	\$145,539,429	\$8,897,043	\$30,218,101	\$39,115,144	27%
<b>Totals</b>	<b>\$647,674,816</b>	<b>\$68,274,860</b>	<b>\$60,456,085</b>	<b>\$166,688,493</b>	<b>26%</b>

\*MWBE participation percentages for completed projects and as provided by the City's Business Inclusion and Development division.

<sup>1</sup>Minimum MWBE participation for Hall Arts Center project was 10%.

## **FY 2022-2023 Work Program**

The work program items for FY 2022-2023 for the Downtown Connection TIF District are as follows:

- Adoption of FY 2021-2022 Annual Report
- Continue to support City's office/business retention efforts in the downtown core
- Identify and promote redevelopment of key properties in the District
- Identify and support opportunities for improving physical connections between Downtown Core and surrounding districts including the Convention Center, Uptown, Victory, the Cedars and Deep Ellum neighborhoods
- Continue annual disbursement of funding to TIF District-funded projects
- Conduct City audit of TIF District projects completed by June 1, 2022 and begin payment process for completed projects.
- Execution of a development agreement for the One Newpark redevelopment project
- Work to gain State Senator and State Representative appointments to the TIF District's board of directors
- Continue to work with relevant city departments on various downtown transportation and development projects

## Appendix A: TIF District Financials

**City of Dallas, Texas**  
**Downtown Connection Tax Increment Financing District Fund**  
**Balance Sheet as of September 30, 2022 (Unaudited)**  
**With Comparative Totals for September 30, 2021, 2020, 2019, and 2018 (Audited)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Assets:</b>					
Pooled cash and cash equivalents	\$8,824,808	\$3,169,819	\$1,200,945	\$17,242,073	\$18,446,473
Interest receivable	(\$158,761)	\$379	\$998	\$52,083	\$42,136
Accounts receivable from DDDA	\$0	\$0	\$25,587,890	\$23,615,978	\$0
Notes Receivable-Developers Loan	\$1,712,381	\$1,767,619	\$1,822,857	\$3,922,805.49	\$3,978,043.49
<b>Total assets</b>	<b>\$10,378,427</b>	<b>\$4,937,817</b>	<b>\$28,612,691</b>	<b>\$44,832,940</b>	<b>\$22,466,653</b>
<b>Liabilities and Fund Balance (Deficit):</b>					
<b>Liabilities:</b>					
Accounts and other payable	\$6,684,038	\$1,360,905	\$25,362,890	\$27,691,800	\$1,701,086
Advances from developers	\$1,712,381	\$1,767,619	\$1,822,857	\$3,922,805	\$3,978,043.49
Due to general fund	\$340,179	\$340,178	\$127,184	\$93,774	\$0.00
<b>Total liabilities</b>	<b>\$8,736,598</b>	<b>\$3,468,703</b>	<b>\$27,312,932</b>	<b>\$31,708,380</b>	<b>\$5,679,130</b>
<b>Fund Balance (Deficit):</b>					
Fund Balance (Deficit)	\$1,641,829	\$1,593,873	\$1,299,759	\$13,124,559	\$16,787,523
<b>Total Liabilities and Fund Equity</b>	<b>\$10,378,427</b>	<b>\$5,062,575</b>	<b>\$28,612,691</b>	<b>\$44,832,939</b>	<b>\$22,466,653</b>

**Downtown Connection Tax Increment Financing District Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**  
**Balance Sheet as of September 30, 2022 (Unaudited)**  
**With Comparative Totals for September 30, 2021, 2020, 2019, and 2018 (Audited)**

	<u>IID</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Revenues:</b>						
Tax increment-Governmental	\$241,683,796	\$37,696,082	\$33,145,357	\$30,201,792	\$25,946,284	\$21,312,883
Tax increment-Intergovernmental	\$29,137,245	\$0	\$0	\$2,892,892	\$4,846,486	\$3,944,948
Interest income	\$1,203,302	\$70,357	\$44,958	\$96,851	\$506,829	\$165,637
Developer's Loan Payback - Principal	\$287,619	\$55,238	\$55,238	\$55,238	\$55,238	\$66,667
Developer's Loan Payback - Interest	\$37,385	\$7,180	\$7,180	\$7,180	\$7,180	\$8,665
Contributions from DDDA	\$188,246,935	\$29,531,143	\$25,328,564	\$25,587,890	\$23,615,978	\$18,476,039
Net increase (decrease) in fair value of investments	(\$147,344)	(\$172,722)	(\$2,200)	\$11,305	\$86,671	(\$50,236)
Sec 108 Developer Pymt- Principal	\$375,507	\$0	\$0	\$375,507	\$0	\$0
<b>Total revenues</b>	<b>\$460,824,444</b>	<b>\$67,187,278</b>	<b>\$58,579,097</b>	<b>\$59,228,654</b>	<b>\$55,064,668</b>	<b>\$43,924,604</b>
<b>Expenditures:</b>						
Administrative expenses	\$2,194,026	\$124,758	\$23,771	\$138,533	\$93,774	\$0
Non-Capital Outlay	\$85,589,376	\$6,145,738	\$1,216,675	\$35,578,703	\$26,076,260	\$15,441,694
Capital outlay	\$4,574,083	\$144,727	\$176,701	\$2,241,535	\$1,764,826	\$0
Affordable housing cost participation	\$2,000,000	\$0	\$0	\$0	\$0	\$0
Transfers to DDDA-Increment	\$270,821,041	\$37,696,082	\$33,145,357	\$33,094,684	\$30,792,771	\$25,257,832
Developer reimbursements-Principal	\$91,853,203	\$22,122,115	\$22,877,885	\$0	\$0	\$0
Interest and fiscal charges	\$2,150,886	\$905,901	\$844,594	\$0	\$0	\$0
<b>Total expenditures</b>	<b>\$459,182,615</b>	<b>\$67,139,322</b>	<b>\$58,284,983</b>	<b>\$71,053,455</b>	<b>\$58,727,631</b>	<b>\$40,699,526</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$1,641,829</b>	<b>\$47,956</b>	<b>\$294,114</b>	<b>(\$11,824,800)</b>	<b>(\$3,662,964)</b>	<b>\$3,225,078</b>
<b>Fund balance (Deficit) at beginning of year as previously reported</b>						
	\$0	\$1,593,873	\$1,299,759	\$13,124,559	\$16,787,523	\$13,562,445
<b>Fund balance (Deficit) at beginning of year, as restated</b>						
	\$0	\$1,593,873	\$1,299,759	\$13,124,559	\$16,787,523	\$13,562,445
<b>Fund balance (deficit) at end of year</b>	<b>\$1,641,829</b>	<b>\$1,641,829</b>	<b>\$1,593,873</b>	<b>\$1,299,759</b>	<b>\$13,124,559</b>	<b>\$16,787,523</b>

**Note: Fiscal year 2021-22 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**



City of Dallas, Texas  
Downtown Connection Tax Increment Financing District Fund  
Reinvestment Zone Number Eleven  
As of September 30, 2022

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District.  
Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$70,357	Interest Income
\$55,238	Developer's loan payback- Principal -FC Continental Surplus Cash Note payment
\$7,180	Developer's loan payback- Interest-FC Continental Surplus Cash Note payment
\$29,531,143	Funds from DDDA, Trustee, U.S. Bank (net of the debt and Trustee Fee)
\$37,696,082	Ad Valorem Taxes (Collected in FY2021-22 based on 2021 Final Tax Roll)
<u>(\$172,722)</u>	Change in fairvalue of investments
<b>\$67,187,278</b>	<b>Total Revenue</b>

2. Amount and purpose of expenditures from the fund:

\$124,758	TIF administrative expense for FY 2021-2022
\$6,145,738	Non-Capital Outlay (see detail #3 below)*
\$144,727	Capital outlay accrued expenditures/Infrastructure expenditures (see detail #3 below)*
\$37,696,082	Transfers to DDDA-FY22 increment collected
\$22,122,115	Principal payment to Orix Public Finance, LLC -1401 Elm Street Redevelopment Project
<u>\$905,901</u>	Additional Subsidy in Form of Grant (in lieu of interest expense) - Interest payment to developer -1401 Elm Street Redevelopment Project
<b>\$67,139,322</b>	<b>Total Expenditures</b>

3. \* Capital and Non-Capital Outlay Expenditures are as follows as of September 30, 2022:

Description/Developer	Project	Capital Outlay	Non-Capital	Total	
DDDA FY21 audit fees	Audit DDDA financial statement	\$0	\$11,000	\$11,000	
Peachtree software license	To prepare annual DDDA financials	\$0	\$1,339	\$1,339	CCO prepares DDDA financial statements; Statements audited by City's external auditor
Public Finance Authority	Stalter/Library/Jackson Street	\$0	\$5,494,056	\$5,494,056	Accrued in FY22(payment pending)
Supreme Bright Dallas II, LLC.	1712 Commerce Street Building	\$0	\$147,447	\$147,447	
PetroCorrigan Towers, LP	Corrigan Tower-Phase II	\$0	\$176,421	\$176,421	Accrued in FY22(payment pending)
AP/APH Stoneleigh, L.P.	Stoneleigh Hotel	\$0	\$140,178	\$140,178	
FC MERC COMPLEX, P.P.	Continental Building A	\$0	\$144,006	\$144,006	Accrued in FY22(payment pending)
Akard Owner, LLC.	411 N. Akard-Mayflower Building	\$144,727	\$31,291	\$176,018	
		<b>\$144,727</b>	<b>\$6,145,738</b>	<b>\$6,290,466</b>	

4. a. Amount of Principal and Interest due-on outstanding indebtedness:

The Zone has a primary obligation to retire the bonds, issued by Downtown Dallas Development Authority (DDDA) from available tax increment generated over the life of the Zone.

b. The Zone has entered into a development agreement for each of the following projects and their status is as follows, as of September 30, 2022:

Developer	Project Name	Principal TIF Award	Max Interest Add'l Subsidy (A)	Maximum TIF Award	Less Payments			Net Bal. Remaining
					Principal	Add'l Subsidy <sup>1</sup>	Total P & I	
AP/APH Stoneleigh, L.P.	Stoneleigh Hotel	\$2,500,000	\$0	\$2,500,000	\$2,313,569	\$0	\$2,313,569	\$186,431
SANTAFE IV HOTEL, L.P.	Santa Fe IV - AloftHotel	\$3,734,419	\$0	\$3,734,419	\$3,734,419	\$0	\$3,734,419	\$0
Federal Deposit Insurance Corp.	1600 Pacific	\$8,830,000	\$4,040,200	\$12,870,200	\$8,830,000	\$400,391	\$9,230,391	\$0
TIF Hotel, Inc.	Joule Hotel Expansion	\$20,658,500	\$0	\$20,658,500	\$20,658,500	\$0	\$20,658,500	\$0
Hamilton Amos, L.P.	Amos Complex Phase I	\$3,250,000	\$3,000,000	\$6,250,000	\$3,250,000	\$1,006,000	\$4,256,000	\$0
Hamilton Amos, L.P.	Amos Complex Phase II	\$11,750,000	\$5,000,000	\$16,750,000	\$11,750,000	\$4,424,561	\$16,174,561	\$0
TIF Hotel, Inc.	Joule Hotel Expansion Amendment	\$3,194,403	\$0	\$3,194,403	\$3,194,403	\$0	\$3,194,403	\$0
FC MERC COMPLEX, P.P.	Continental Building A (Inc. only)	\$3,700,000	\$0	\$3,700,000	\$1,437,946	\$0	\$1,437,946	\$2,262,054
FC MERC COMPLEX, P.P.	Continental Building B	\$13,036,809	\$4,222,588	\$17,259,397	\$13,036,809	\$3,713,069	\$16,749,878	\$0
Hall Lone Star Associates, L.P.	Hall Lone Star Phase I	\$852,764	\$0	\$852,764	\$852,764	\$225,871	\$1,078,635	\$0
Hall Lone Star Associates, L.P.	Hall Lone Star Project - Phase II	\$6,147,236	\$2,000,000	\$8,147,236	\$6,147,236	\$1,200,609	\$7,347,845	\$0
PetroCorrigan Towers, LP	Tower Petroleum-Phase I	\$10,300,000	\$0	\$10,300,000	\$10,300,000	\$0	\$10,300,000	\$0
Federal Deposit Insurance Corp.	LTV Tower Project	\$16,500,000	\$0	\$16,500,000	\$16,500,000	\$0	\$16,500,000	\$0
Starwood Property Mortgage LLC	1401 Elm Street Redevelopment	\$45,000,000	\$5,000,000	\$50,000,000	\$45,000,000	\$1,750,495	\$46,750,495	\$0
Public Finance	Stalter/Library/Jackson Street	\$46,500,000	\$0	\$46,500,000	\$14,015,677	\$0	\$14,015,677	\$32,484,323
Akard Owner, LLC.	411 N. Akard-Mayflower Building	\$9,000,000	\$1,000,000	\$10,000,000	\$868,479	\$1,000,000	\$1,868,479	\$8,131,521
Supreme Bright Dallas II, LLC.	1712 Commerce Street Building	\$10,500,000	\$0	\$10,500,000	\$461,446	\$0	\$461,446	\$10,038,554
PetroCorrigan Towers, LP	Corrigan Tower-Phase II	\$9,700,000	\$0	\$9,700,000	\$529,794	\$0	\$529,794	\$9,170,206
<b>Total</b>		<b>\$225,154,132</b>	<b>\$24,262,788</b>	<b>\$249,416,920</b>	<b>\$162,881,041</b>	<b>\$13,720,996</b>	<b>\$176,602,037</b>	<b>\$62,273,090</b>

Note: Reimbursements began in fiscal year 2014 and will continue each year after meeting bond requirements, project completion and upon availability of TIF funds  
<sup>1</sup>Additional Subsidy in Form of Grant (in lieu of interest expense)

5. Surplus Cash Note Due from FC Continental Landlord LLC:

Per the Surplus Cash Note Agreement, the payment status as of September 30, 2022 are as follows:

Principal	Total Interest	Total Due	Less Payments from FC Continental		
			Principal	Total Interest	Balance Due (Principal & Int.)
\$2,000,000	\$259,945	\$2,259,945	\$287,619	\$37,383	\$1,934,943

6. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable Value 2022	Base Year 2005 Value	Est. Captured Value 2022*
City of Dallas	\$6,550,354,904	\$564,917,317	\$5,985,437,587
Dallas County	\$6,593,200,314	\$561,696,337	\$6,031,503,977

\*Based on Certified Taxable Values. Final values will be determined on February 1, 2023.

7. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

a. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Assessment Estimated 2022	
	Per \$100	Increment
City of Dallas	0.67122	\$40,175,454
Dallas County*	0.00000	\$0
Total for all Jurisdictions	<u>\$0.67122</u>	<u>\$40,175,454</u>

\*Dallas County met their maximum participation amount (\$18.5 million 2006 NPV) with 2019 tax year increment collected during the 2020 fiscal year.

b. The total amount of estimated tax increment to be billed for the 2022 tax year is \$40,175,454

c. For the 2021 tax year, increment in the amount of \$37,696,082 was collected and transferred to Downtown Dallas Development Authority (DDDA) in accordance with the terms of the DDDA bond indentures.

City of Dallas, Texas  
Downtown Connection Tax Increment Financing District  
Notes to Financial Statements for the Year Ended September 30, 2022

1. The measurement focus used for the Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The Zone's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financing Plan provides for staffing and other administrative expenses by the City of Dallas not to exceed \$14,780,272 (in current \$) over the life of the Zone. The City began billing the Zone for administrative costs in FY 2007. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. "Due to general fund" amount of \$340,178 at September 30, 2022 represents the Zone's administration costs for the fiscal year 2018-2019 (\$73,479), fiscal year 2019-2020 (\$53,705), fiscal year 2020-2021 (\$88,236), and fiscal year 2021-2022 (\$124,758) that have been earned but will be reimbursed to the General Fund in future years based on the availability of Zone funds. Note that these administrative costs do not include billing to other City departments.
6. All project costs resulting in capital improvements which are owned by the City are capitalized in the City's fixed assets.

## Appendix B: Project Pay-Off Estimates

<b>Developer</b>	<b>Project Name</b>	<b>Max. TIF Award</b>	<b>Pay-Off Date</b>
AP/APH Stoneleigh, L.P.	Stoneleigh Hotel	\$2,500,000	2024
Hall Lone Star Associates, L.P.	Hall Lone Star Phase I	\$2,852,764	2014
SANTA FE IV HOTEL, L.P.	Santa Fe IV - Aloft Hotel	\$3,734,419	2014
Federal Deposit Insurance Coporation	1600 Pacific	\$12,870,200	2014
TIF Hotel, Inc.	Joule Hotel Expansion	\$20,658,500	2016
Hamilton Atmos, L.P.	Atmos Complex Phase I	\$6,250,000	2016
Hamilton Atmos, L.P.	Atmos Complex Phase II	\$15,460,149	2019
TIF Hotel, Inc.	Joule Hotel Expansion Amendment	\$3,194,403	2016
FC MERC COMPLEX, P.P.	Continental Building A (Inc. only)	\$3,700,000	2028
FC MERC COMPLEX, P.P.	Continental Building B	\$16,749,878	2019
Hall Lone Star Associates, L.P.	Hall Lone Star Project - Phase II	\$7,347,845	2019
PetroCorrigan Towers, LP	Tower Petroleum-Phase I	\$10,300,000	2019
Federal Deposit Insurance Coporation	LTV Tower Project	\$16,500,000	2020
Mt. Pentelicus Devco, LLC	The National	\$50,000,000	2022
Centurion Acquisitions, L.P.	Statler/Library/Jackson Street	\$46,500,000	2023
Akard Owner, LLC.	411 N. Akard-Mayflower Building	\$10,000,000	2024
Supreme Bright Dallas II, LLC.	1712 Commerce Street Building	\$10,500,000	2024
PetroCorrigan Towers, LP	Corrigan Tower-Phase II	\$9,700,000	2024

Estimated pay-off dates may change and are subject to the following

- (1) Changes in increment collected annually;
- (2) Changes in the real property tax rates of participating taxing jurisdictions (City of Dallas and Dallas County);
- (3) Changes in the participation rate of participating taxing jurisdictions; and/or
- (4) Completion dates of projects listed in the District's reimbursement queue

## **Appendix C: District Set-Aside Funds**

There are no District Set-Aside Funds.